

AGENDA



Thursday, August 7, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 41**

Subject: Authorize award and execution of a 24-month requirements service contract with AUS-TEX PRINTING & MAILING, Austin, TX for printing services for the Human Resources Department in an estimated amount not to exceed \$150,212, with two 12-month extension options in an estimated amount not to exceed \$75,106 per extension option, for a total estimated contract amount not to exceed \$300,424.

Amount and Source of Funding: Funding in the amount of \$6,259 is available in the Fiscal Year 2007-2008 Operating Budget of the Employee Benefits Fund of the Human Resources Department. Funding for the remaining 23 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Sydney Ceder, Senior Buyer/974-2035

Purchasing Language: Best evaluated bid of five bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide printing services on an as needed basis for the Human Resources Department's administrative, benefit, and health programs. The City of Austin provides communication materials to and collects data from employees, retirees, Consolidated Omnibus Budget Reconciliation Act (COBRA) participants, dependents, and, if applicable, employees and retirees of an Affiliated Employer and their dependents during open enrollment and throughout the year.

For the current Benefit Plan Year 2008, there are approximately 11,000 active employees and 4,000 retirees. Additionally, the City provides administration, communication, and support to all COBRA participants, eligible and/or covered dependents, as well as Affiliated Employees and their eligible/covered dependents. Currently, the City communicates with active employees and retirees through a series of documents including employee guides, personnel manuals, annual and semi-annual training guides, monthly and bi-monthly newsletters, annual compensation statements, enrollment reminder postcards, customer service cards, and other specific benefits program guides. Additionally, the City collects a wide range of information from active employees and retirees such as beneficiaries, enrollment elections, and changes of address. Aus-Tex Printing and Mailing will provide the printing services for all of the written communication items for these programs.

An Invitation for Bid, Best Value method was used for this solicitation. Recommendation was based on evaluation criteria including cost, experience/qualifications and samples. The City's evaluation team recommended Aus-Tex Printing & Mailing as the best bidder bringing the most value to the City.

MBE/WBE solicited: 2/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred thirty-six notices were sent, including two MBEs and two WBEs. Five bids were received, with no response from the MBE/WBEs.
- c. This is the first consolidated contract of its type; therefore, there is no pricing history available. However, individual purchases have been done in the past and this pricing represents an approximate annual savings of \$10,000 compared to individual purchases made in 2007.

APPROVAL JUSTIFICATION

- a. Best evaluated bid received.
- b. The Purchasing Office concurs with the Human Resources Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.